

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of Union                    )  
Electric Company d/b/a Ameren Missouri                    )            File No. ET-2019-0149  
for Approval of Revisions to Rider EDI and                )  
Rider EDRR.    )

**MOTION TO REOPEN CASE FOR REVISIONS TO AMEREN MISSOURI'S  
RIDER EDI AND RIDER EDRR**

**COMES NOW** Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "the Company"), and pursuant to Commission Staff's request, 4 CSR 240-2.065, and 4 CSR 240-2.080, submits this *Motion to Reopen Case for Revisions to Ameren Missouri's Rider EDI and Rider EDRR* ("*Motion to Reopen*"). In support of its position, Ameren Missouri states as follows:

**INTRODUCTION**

1. On September 25, 2018, Union Electric Company d/b/a Ameren Missouri filed a tariff under Tariff Tracking No. JE-2019-0051 to create a new tariff, Rider Missouri Forward and to revise its Economic Development and Retention Rider ("Rider EDRR") for the purpose of implementing §393.1640 RSMo. The tariff bore an effective date of October 25, 2018, but Ameren Missouri extended that date until November 21, 2018. On November 19, 2018, the Commission's Staff filed a motion asking the Commission to suspend the tariff sheet, stating that a substantive dispute may exist regarding the proposed tariff and recommending that the Commission suspend the tariff to provide an opportunity for the parties to further discuss the tariff. The Commission suspended that tariff until March 21, 2019 to consider whether it should be approved.

2. Ameren Missouri withdrew the suspended tariff on December 19, 2018 and in its place filed a revised tariff under File No. ET-2019-0149 and was assigned Tariff No. JE-2019-0120. Along with its revised tariff, Ameren Missouri filed a pleading explaining and supporting

the changes incorporated into the new tariff. The revised tariff bore an effective date of January 18, 2019.

3. In response to Ameren Missouri's new tariff filing, the Commission directed its Staff and any other party to file a recommendation no later than December 28, 2018. Any response to a recommendation was to be filed by January 4, 2019. Staff filed a recommendation on December 28, 2018. No other party filed a recommendation, and no one responded to Staff's recommendation.

4. Staff explained that the revised tariff implements a Rider – Economic Development Incentive ("Rider EDI") and modifies Ameren Missouri's Rider EDRR. Staff recommended the Commission either approve the tariff, or allow it to go into effect by operation of law.

5. The Commission allowed the tariff to take effect by operation of law on its January 18, 2019 effective date.

6. On January 22, 2019, the Commission issued a Notice closing the file.

7. Following January 18, 2019, in discussions with potential new customers and existing customers regarding Ameren Missouri's Rider EDI and Rider EDRR, the Company discovered that revisions are needed to the Riders. These revisions are depicted in "red line" in Exhibit 1. The clean version of the revised Riders have been filed with tracking number YE-2019-0225 and are also provided here as Exhibit 2.

8. Purpose of Rider EDI: The purpose of Rider EDI – Economic Development Incentive rider is to comply with section 393.1640, RSMo. This legislation provides a strong economic development signal in terms of discounts (40% average discount for 5 years), provides an incentive for beneficial location (underutilized facilities discount of 10% for 1 year), and provides that both discounts will not be available after December 31, 2023 unless certain

regulatory approvals have been received by Ameren Missouri (plant-in-service accounting ("PISA") is extended).

9. Nature of Projects: Most, but not all, projects that could qualify for Rider EDI can be classified as long lead time projects. Few EDI-eligible projects will be receiving discounts prior to 2020, even if no new construction is required. Where construction of new facilities is required, it frequently will be more than one year from the time of application before EDI discounts are actually provided. In either case, any contracts entered into today, will continue to be in place on December 31, 2023 and must include provisions that will apply if the Rider EDI discounts end on December 31, 2023.

10. Implication for Customers: While the current Rider EDI and Rider EDRR tariffs provide for a customer to receive some level of discount for five years, even if discounts under Rider EDI end (by transferring to Rider EDRR), the impact to customers of discounts under Rider EDI ending is three-fold:

- a. The strong 40% discount ends and converts to 15% for the remainder of the five years;
- b. The 6<sup>th</sup> year (10%) incentive for beneficial location is not available; and
- c. The length of time that a strong incentive (40%) may be available is driven by two factors the customer does not have a great deal of control over:
  - i. Length of time required for their own construction activities; and
  - ii. Commission approval of the extension of PISA (and indirectly economic development).

11. Customer Response: The potential for the strong (40%) incentive ending in less than five years results in the customers largely not considering the discount in their decision for

siting projects. In other words, incentives offered for less than five years generally will not materially influence the long-term investment decision for customers. Moreover, customers wholly disregard the 6<sup>th</sup> year (10%) discount because such discount may not be received at all. All of this uncertainty causes the primary factor influencing customers to become the Rider EDRR discount (15%).

12. Justification for Proposed Tariff Revisions: Ameren Missouri believes that, because all Rider EDI contracts are guaranteed to have not yet reached expiration on December 31, 2023, prospective Rider EDI customers are carefully considering the potential impacts of not receiving the EDI discounts after that date. Therefore, the legislated intent to provide strong economic development incentives is dramatically undermined, some number of projects will not select an Ameren Missouri location that would have had it been known that EDI discounts would be available for a full 5 years (or 6 years if beneficial location discount is applicable), and communication of available incentives becomes more complex thereby reducing the communication's effectiveness.

13. Revisions Ameren Missouri Proposes: The Company proposes to revise its Rider EDI and Rider EDRR so that customers who enter into a Rider EDI contract but are subsequently transferred to Rider EDRR either: a) transfer to Rider EDRR and receive only the Incentive Provisions of that Rider, or b) "As evidenced within the Rider EDI agreement by customer's certification, where customer's location decision would not have resulted in the qualifying load being located in Company's service territory but for the customer's qualifying load receiving the incentives levels specified in Rider EDI for the full term under the agreement, such customer will continue to receive all of the Incentive Provisions specified in the Rider EDI agreement for the term of that agreement as if the Company's authorization under §393.1640 RSMo had not ended."

14. It is within the Commission's authority to approve an economic development program proposed by a utility provided that it does not directly conflict with the provisions of §393.1640 RSMo. as evidenced by Ameren Missouri's Rider EDRR and Rider ERR as well as Kansas City Power & Light's Economic Development Rider Schedule EDR.

15. The proposed tariff revisions do not in any way conflict with the requirements of §393.1640 RSMo. Rather, the revisions will increase the effectiveness of that legislation by providing certainty to those customers that require it in making their siting decision that the discounts outlined in the statute will remain available for the full term of the Rider EDI contract even in the event that they are transferred to Rider EDRR.

16. The proposed tariff revisions as shown in Exhibits 1 and 2 were discussed with the Commission Staff, and Staff requested that the Company file the revised tariffs in a case.

**WHEREFORE**, Ameren Missouri respectfully requests that the Commission reopen this File No. ET-2019-0149 to allow the Company to revise its Rider EDI and Rider EDRR as shown in Exhibit 2.

Respectfully submitted,

By: /s/ Jermaine Grubbs

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**CERTIFICATE OF SERVICE**

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the service list of record this 17th day of June 2019.

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*/s/ Jermaine Grubbs* \_\_\_\_\_  
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